



House of Representatives

General Assembly

File No. 499

February Session, 2008

Substitute House Bill No. 5891

House of Representatives, April 7, 2008

The Committee on Government Administration and Elections reported through REP. CARUSO of the 126th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING THE CONVEYANCE OF CERTAIN PARCELS OF STATE LAND.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (*Effective from passage*) (a) Notwithstanding any provision
2 of the general statutes, the Commissioner of Transportation shall
3 convey to the Historical Society of the town of Greenwich a parcel of
4 land located in the town of Greenwich, at a cost equal to the
5 administrative costs of making such conveyance. Said parcel of land
6 has an area of approximately .44 acre and is identified as Parcel No. 6
7 on one Department of Transportation Map and Lot 16 Strickland Road
8 W20A by the town of Greenwich. The conveyance shall be subject to
9 the approval of the State Properties Review Board.

10 (b) The Historical Society of the town of Greenwich shall use said
11 parcel of land for parking purposes. If the Historical Society of the
12 town of Greenwich:

- 13 (1) Does not use said parcel for said purposes;
14 (2) Does not retain ownership of all of said parcel; or
15 (3) Leases all or any portion of said parcel,

16 the parcel shall revert to the state of Connecticut.

17 (c) The State Properties Review Board shall complete its review of
18 the conveyance of said parcel of land not later than thirty days after it
19 receives a proposed agreement from the Department of
20 Transportation. The land shall remain under the care and control of
21 said department until a conveyance is made in accordance with the
22 provisions of this section. The State Treasurer shall execute and deliver
23 any deed or instrument necessary for a conveyance under this section,
24 which deed or instrument shall include provisions to carry out the
25 purposes of subsection (b) of this section. The Commissioner of
26 Transportation shall have the sole responsibility for all other incidents
27 of such conveyance.

28 Sec. 2. Section 31 of special act 07-11 is amended to read as follows
29 (*Effective from passage*):

30 (a) The Commissioner of Transportation, with the advice and
31 consent of the Secretary of the Office of Policy and Management and
32 the State Properties Review Board, may sell, lease and convey, in the
33 name of the state, or otherwise dispose of, or enter into agreements
34 concerning, any land and buildings owned by the state and obtained
35 for or in connection with the Route 6 Expressway, which real property
36 is not necessary for such purposes. The commissioner shall notify the
37 chief elected official of the municipality in which said property is
38 located and the state representative and the state senator representing
39 the municipality in which said property is located not later than one
40 year after the date a determination is made that the property is not
41 necessary for highway purposes and that the department intends to
42 dispose of the property. [No such determination shall be made without
43 the commissioner first holding a public hearing concerning such
44 proposed disposition and the approval of the Federal Highway
45 Administration.]

46 (b) The Department of Transportation shall obtain a full appraisal
47 on excess property prior to its sale pursuant to this section. Except as
48 provided in subsection (c) of this section, transfers to other state
49 agencies and municipalities for purposes specified by the department
50 shall be exempt from the appraisal requirement. The department shall
51 obtain a second appraisal if such property is valued over one hundred
52 thousand dollars and is not to be sold through public bid or auction. If
53 a second appraisal is obtained, the sale price shall be the average of the
54 two appraisals. Any appraisals or value reports shall be obtained prior
55 to the determination of a sale price of the excess property.

56 (c) Notwithstanding the provisions of sections 3-14b and 4b-21 of
57 the general statutes, no property, whether or not a structure is situated
58 upon it at the time it is obtained by the department for highway
59 purposes, may be sold or transferred pursuant to this section not later
60 than twenty-five years after the date of its acquisition without the
61 department first offering the owner or owners of the property at the
62 time of its acquisition a right of first refusal to purchase the property at
63 the amount of its appraised value as determined in accordance with
64 the provisions of subsection (b) of this section, except for property
65 offered for sale to municipalities prior to the effective date of this
66 section. Notice of such offer shall be sent to each such owner by
67 registered or certified mail, return receipt requested, not later than one
68 year after the date a determination is made that such property is not
69 necessary for highway purposes. Any such offer shall be terminated by
70 the department if it has not received written notice of the owner's
71 acceptance of the offer not later than ninety days after the date it was
72 mailed. Whenever the offer is not so accepted, the department shall
73 offer parcels which meet local zoning requirements for residential or
74 commercial use to other state agencies and shall offer parcels which do
75 not meet local zoning requirements for residential or commercial use
76 to all abutting landowners in accordance with department regulations.
77 If the sale or transfer of the property pursuant to this section results in
78 the existing property of an abutting landowner becoming a
79 nonconforming use as to local zoning requirements, the commissioner
80 may sell or transfer the property to that abutter without public bid or

81 auction. The commissioner shall adopt regulations, in accordance with
82 the provisions of chapter 54 of the general statutes, establishing
83 procedures for the disposition of excess property pursuant to the
84 provisions of this subsection in the event such property is owned by
85 more than one person.

86 (d) Where the department has in good faith and with reasonable
87 diligence attempted to ascertain the identity of persons entitled to
88 notice under subsection (c) of this section and mailed notice to the last-
89 known address of record of those ascertained, the failure to in fact
90 notify those persons entitled thereto shall not invalidate any
91 subsequent disposition of property pursuant to this section.

92 Sec. 3. Section 6 of special act 90-37, as amended by special act 91-4,
93 is amended to read as follows (*Effective from passage*):

94 (a) Notwithstanding any provision of the general statutes, [to the
95 contrary,] the commissioner of correction shall convey to the town of
96 East Lyme, subject to the approval of the state properties review board
97 and for a cost equal to the administrative costs of making such
98 conveyance, a parcel of land located in the town of East Lyme, having
99 an area of approximately ten acres and shown on a map on file in the
100 office of the town clerk in East Lyme, entitled "Town of East Lyme
101 Proposed Site for AHEPA Elderly Housing Complex, Connecticut
102 Route 156 and Roxbury Rd., East Lyme, Connecticut, Scale 1" = 40'
103 January 1990."

104 (b) The town of East Lyme shall use said parcel of land for an
105 elderly housing project, provided said town may convey the parcel to
106 AHEPA 250, INC., for such purpose. If the mortgage loan to AHEPA
107 250, INC., from the Secretary of Housing and Urban Development for
108 construction of an elderly housing project on said parcel is not closed
109 on or before April 1, 1992, or if said parcel is not used for an elderly
110 housing project at any time after the maturity of the loan, the title to
111 said parcel shall revert to the state of Connecticut. Notwithstanding
112 the provisions of this subsection, said parcel shall not revert to the
113 state of Connecticut if said Secretary acquires title by foreclosure or by

114 a deed in lieu of foreclosure. For any mortgage secured by said parcel
115 and insured by said secretary, the foreclosure by a third party on such
116 note or the granting of a deed in lieu of such foreclosure shall not
117 result in the reversion of said parcel to the state of Connecticut.

118 (c) The [state properties review board] State Properties Review
119 Board shall complete its review of the conveyance of said parcel of
120 land not later than thirty days after it receives a proposed agreement
121 from the department of correction. The land shall remain under the
122 care and control of said department until a conveyance is made in
123 accordance with the provisions of this section. The state treasurer shall
124 execute and deliver any deed or instrument necessary for a
125 conveyance under this section and the commissioner of correction shall
126 have the sole responsibility for all other incidents of such conveyance.

127 Sec. 4. (*Effective from passage*) Notwithstanding a certain restriction
128 contained in a quit claim deed from the state of Connecticut,
129 Department of Transportation, to the city of Norwalk, dated May 22,
130 1961, and recorded in the city of Norwalk Land Records in volume
131 ____, page ____, that the parcel of land designated as parcel 22 on
132 Connecticut Department of Transportation Map 478 be used for
133 highway purposes only, said parcel may be used for other than
134 highway purposes and said restriction is released and relinquished
135 and shall have no further force and effect.

136 Sec. 5. (*Effective from passage*) (a) Notwithstanding any provision of
137 the general statutes, the Commissioner of Transportation shall convey
138 to the city of Norwalk a parcel of land located in the city of Norwalk,
139 at a cost equal to the administrative costs of making such conveyance.
140 Said parcel of land has an area of approximately 0.386 acre and is
141 identified as "AREAS TO BE QUIT CLAIMED BY THE STATE OF
142 CONNECTICUT TO THE CITY OF NORWALK" on a map entitled
143 "Compilation Survey For Crescent Street Road Abandonment Purposes
144 Prepared For 95/7 Ventures LLC and the City of Norwalk and the
145 State of Connecticut, Reed Putnam Project, Norwalk, Connecticut,
146 Scale 1"=40', January 28, 2008, William W. Seymour & Associates, P.C."

147 The conveyance shall be subject to the approval of the State Properties
148 Review Board.

149 (b) The State Properties Review Board shall complete its review of
150 the conveyance of said parcel of land not later than thirty days after it
151 receives a proposed agreement from the Department of
152 Transportation. The land shall remain under the care and control of
153 said department until a conveyance is made in accordance with the
154 provisions of this section. The State Treasurer shall execute and deliver
155 any deed or instrument necessary for a conveyance under this section.
156 The Commissioner of Transportation shall have the sole responsibility
157 for all other incidents of such conveyance.

158 Sec. 6. (*Effective from passage*) Notwithstanding any provision of the
159 general statutes, the city of Norwalk shall grant to the State of
160 Connecticut, at a cost equal to the administrative costs of making such
161 easement, a full and perpetual drainage right-of-way according to the
162 terms that govern an existing thirty-foot right-of-way reserved by the
163 State of Connecticut in Volume 1046, Page 60 and depicted on map
164 number 8212 of the Norwalk Land Records. Such easement is
165 identified as "AREA OF EASEMENT TO BE GRANTED BY THE CITY
166 OF NORWALK TO THE STATE OF CONNECTICUT" on a map
167 entitled "Compilation Survey For Crescent Street Road Abandonment
168 Purposes Prepared For 95/7 Ventures LLC and the City of Norwalk
169 and the State of Connecticut, Reed Putnam Project, Norwalk,
170 Connecticut, Scale 1"=40', January 28, 2008, William W. Seymour &
171 Associates, P.C." The grant of such easement shall be subject to
172 approval by the State Properties Review Board.

173 Sec. 7. (*Effective from passage*) (a) Notwithstanding any provision of
174 the general statutes, the Commissioner of Transportation shall enter
175 into an agreement with the city of Norwalk for the conveyance of a
176 parcel of land from the city of Norwalk to the state at no cost to the
177 state. The parcel of land to be conveyed by the city of Norwalk is
178 identified as "AREA TO BE CONVEYED BY THE CITY OF
179 NORWALK TO THE STATE OF CONNECTICUT" on a map entitled

180 "Compilation Survey For Crescent Street Road Abandonment Purposes
181 Prepared For 95/7 Ventures LLC and the City of Norwalk and the
182 State of Connecticut, Reed Putnam Project, Norwalk, Connecticut,
183 Scale 1"=40', January 28, 2008, William W. Seymour & Associates, P.C."
184 Said parcel has an area of approximately .176 acre. The state shall pay
185 no administrative costs incurred by the city of Norwalk in the
186 conveyance of said parcel of land. The Commissioner of
187 Transportation shall pay the cost of any survey of said parcel of land
188 that is prepared for the purposes of said conveyance. Said conveyance
189 shall be subject to the approval of the State Properties Review Board.

190 (b) The State Properties Review Board shall complete its review of
191 the conveyance of said parcel of land not later than thirty days after it
192 receives a proposed agreement from the Department of
193 Transportation. The State Treasurer shall execute and deliver any deed
194 or instrument necessary for a conveyance under this section. The
195 Commissioner of Transportation shall have the sole responsibility for
196 all other incidents of such conveyance.

197 Sec. 8. (*Effective from passage*) (a) Notwithstanding any provision of
198 the general statutes, the Commissioner of Environmental Protection
199 shall convey to the Mohegan Tribe of Indians of Connecticut a parcel
200 of land located in the town of Montville, at a cost equal to the fair
201 market value of said parcel plus the administrative costs of making
202 such conveyance, provided: (1) The Department of Environmental
203 Protection shall determine the fair market value of said parcel, and (2)
204 the Department of Environmental Protection shall retain an easement
205 for public access for fishing on said parcel, the area of which shall be
206 determined by the Department of Environmental Protection. Said
207 parcel of land has an area of approximately 1.65 acres and is identified
208 in an agreement for transfer of custody and control from the
209 Commission of Transportation of the state of Connecticut to the
210 Department of Environmental Protection of the state of Connecticut
211 dated May 27, 1977, and recorded on August 16, 1977, in the land
212 records of the town of Montville at Volume 132, Page 283. Said parcel
213 is further identified on a map on file at the Connecticut Department of

214 Transportation that is entitled "Town of Montville, Map Showing Land
215 to be Transferred to Department of Environmental Protection by the
216 Department of Transportation, Route 32, Scale 1"=40', April 1977, Karl
217 F. Crawford, Transportation Chief Engineer-Bureau of Highways,
218 Town No. 85, Project No. 85-85, Serial No. 4A, Sheet 1 of 1". The
219 conveyance shall be subject to the approval of the State Properties
220 Review Board.

221 (b) The State Properties Review Board shall complete its review of
222 the conveyance of said parcel of land not later than thirty days after it
223 receives a proposed agreement from the Department of Environmental
224 Protection. The land shall remain under the care and control of said
225 department until a conveyance is made in accordance with the
226 provisions of this section. The State Treasurer shall execute and deliver
227 any deed or instrument necessary for a conveyance under this section.
228 The Commissioner of Environmental Protection shall have the sole
229 responsibility for all other incidents of such conveyance.

230 Sec. 9. (*Effective from passage*) (a) Notwithstanding any provision of
231 the general statutes, the Commissioner of Transportation shall convey
232 to the Regional Refuse Disposal District One parcels of land located in
233 the towns of Barkhamsted and New Hartford, at a cost equal to the
234 administrative costs of making such conveyance. Said parcels of land
235 have an area of approximately 3.2 acres and are identified as Lot ____
236 in Block 18 of town of Barkhamsted Tax Assessor's Map 49 and Lot 41
237 in Block 41 of town of New Hartford Tax Assessor's Map 32. The
238 conveyance shall be subject to the approval of the State Properties
239 Review Board.

240 (b) The Regional Refuse Disposal District One shall use said parcels
241 of land for economic development purposes. If the Regional Refuse
242 Disposal District One:

- 243 (1) Does not use said parcels for said purposes;
244 (2) Does not retain ownership of all of said parcels; or
245 (3) Leases all or any portion of said parcels,

246 the parcels shall revert to the state of Connecticut.

247 (c) The State Properties Review Board shall complete its review of
 248 the conveyance of said parcels of land not later than thirty days after it
 249 receives a proposed agreement from the Department of
 250 Transportation. The land shall remain under the care and control of
 251 said department until a conveyance is made in accordance with the
 252 provisions of this section. The State Treasurer shall execute and deliver
 253 any deed or instrument necessary for a conveyance under this section,
 254 which deed or instrument shall include provisions to carry out the
 255 purposes of subsection (b) of this section. The Commissioner of
 256 Transportation shall have the sole responsibility for all other incidents
 257 of such conveyance.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	SA 07-11, Sec. 31
Sec. 3	<i>from passage</i>	SA 90-37, Sec. 6
Sec. 4	<i>from passage</i>	New section
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>from passage</i>	New section
Sec. 7	<i>from passage</i>	New section
Sec. 8	<i>from passage</i>	New section
Sec. 9	<i>from passage</i>	New section

GAE *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 09 \$	FY 10 \$
Department of Environmental Protection	GF - Revenue Gain	approx. 360,000	None
Department of Transportation	TF - Loss of Asset Value	more than 1.2 million	None
Department of Transportation	TF - Gain of Asset Value	approx. 305,000	None
Policy & Mgmt., Off.	GF - Savings	Minimal	Minimal
Treasurer; Prop. Review Bd.	GF - Cost	Minimal	None

Note: GF=General Fund; TF=Transportation Fund

Municipal Impact:

Municipalities	Effect	FY 09 \$	FY 10 \$
Various Municipalities	Gain of Asset Value	more than 3.2 million	None
Various Municipalities	Revenue Loss	Minimal	Minimal
Various Municipalities	Revenue Gain	Potential	Potential
Norwalk	Loss of Asset Value	approx. 305,000	None

Explanation

The fiscal impact of the bill is:

1. an estimated General Fund revenue gain of \$360,000 from the sale of 1.65 acres in Montville to the Mohegan Indian Tribe;
2. a Transportation Fund loss of asset value of more than \$1.2 million from the transfer of property to various towns;
3. an estimated Transportation Fund gain in asset value of \$305,000 from the transfer of land by Norwalk;
4. a minimal General Fund cost (less than \$1,000 each) to the Office of the State Treasurer and the State Properties Review Board for making the conveyances;

5. a minimal General Fund saving to the Office of Policy and Management because payments-in-lieu-of-taxes (PILOT) on state owned property will not be made on the transferred land; and
6. the conveyances represent a potential revenue loss to the state to the extent that the state could have sold or leased the properties at fair market value.

The land conveyances are subject to the review and approval of the State Properties Review Board, which is required to review each conveyance within 30 days. Deeds or any other instruments necessary for the conveyances must be executed and delivered by the State Treasurer. These activities are part of the respective agencies normal operations and can be accomplished with existing staff and resources.

Municipal

The municipal impact for the towns listed in the table below is: (1) a gain in asset value to certain municipalities; (2) a minimal revenue loss for PILOT payments to the degree that the parcels are eligible for PILOT; and (3) a potential revenue gain to various municipalities for those properties that are used for economic development purposes and become fully taxable.

Further Explanation

The tables below summarize each section of the bill. Table 1 summarizes sections of the bill with state fiscal impacts. The parcels must be used for the purposes specified in the bill (labeled “Use Restriction”) or the property will revert to the state. Table 2 summarizes adjustments in the conditions of prior land conveyances. Table 3 summarizes other provisions of the bill.

Table 1: Sections with a State Fiscal Impact

<u>Sec.</u>	<u>From</u>	<u>To/Location</u>	<u>Acres</u>	<u>Est. Value</u>	<u>Use Restriction</u>
<u>Transportation Fund Loss of Asset Value</u>					

Table 1: Sections with a State Fiscal Impact

<u>Sec.</u>	<u>From</u>	<u>To/Location</u>	<u>Acres</u>	<u>Est. Value</u>	<u>Use Restriction</u>
1	DOT	Historical Society Greenwich	0.44	\$560,000	parking
5	DOT	Norwalk	0.386	\$670,000	none
9	DOT	Regional Refuse Disposal District One, Barkhamsted & New Hartford	3.2	<u>\$12,000</u>	economic development
Total				\$1,242,000	

General Fund Revenue Gain

8	DEP	Mohegan Indian Tribe, Montville	1.65	\$360,000	none
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General Fund Gain in Asset Value

7	Norwalk	DOT	0.176	\$305,000	N/A
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Table 2: Changes to Prior Conveyances

<u>Sec.</u>	<u>From</u>	<u>To/Location</u>	<u>Reference</u>	<u>Language Change</u>
2	DOT	Route 6 Expressway	SA 07-11, Sec 31	Removes requirements for: (1) a public hearing and (2) approval of the Federal Highway Administration
3	DOC	East Lyme	SA 90-37, Sec 6	Prevents reversion to the state under certain circumstances

Table 3: Other Provisions

<u>Sec.</u>	<u>From</u>	<u>To/Location</u>	<u>Acres</u>	<u>Use Restriction</u>	<u>Provision</u>
4	DOT	Norwalk	N/A	Highway	Lift use restriction
6	Norwalk	DEP	N/A	-	Norwalk will grant a drainage right-of-way to the state

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sHB 5891*****AN ACT CONCERNING THE CONVEYANCE OF CERTAIN PARCELS OF STATE LAND.*****SUMMARY:**

This bill:

1. authorizes conveyances of state property in Greenwich, Montville, Barkhamsted, and New Hartford;
2. authorizes exchanges of property and an easement in Norwalk;
3. amends procedural requirements for the conveyance of property associated with the Route 6 Expressway; and
4. amends the reversion clause for property conveyed to East Lyme.

EFFECTIVE DATE: Upon passage

NEW CONVEYANCES

The bill requires the following conveyances from the agencies to the entities named for the purpose specified:

1. from the Department of Transportation (DOT) to the Historical Society of Greenwich for parking purposes (0.44 acre in Greenwich);
2. from the Department of Environmental Protection (DEP) to the Mohegan Tribe of Indians of Connecticut for no specified use (1.65 acres in Montville); and
3. from DOT to the Regional Refuse Disposal District One for economic development purposes (3.2 acres in Barkhamsted and

New Hartford).

In each case, the State Properties Review Board (SPRB) must approve the transaction. The Greenwich Historical Society and the Regional Refuse Disposal District One must pay the administrative costs of each conveyance and must use the property for the specified purpose or the property reverts back to the state. The Mohegan Tribe must pay the fair market value (as determined by DEP) plus administrative costs for its conveyance and there is no reversion provision. DEP retains a public access easement for fishing on the property.

Norwalk

The bill authorizes the following transactions in Norwalk related to Crescent Street Road and the Reed Putnam project:

1. conveyance of 0.386 acre from DOT to Norwalk for administrative costs;
2. the grant of a drainage easement from Norwalk to the State of Connecticut for administrative costs; and
3. an agreement to convey 0.176 acre from Norwalk to the state at no cost other than the cost of a survey, which DOT must pay.

All three are subject to SPRB approval. The bill also releases a quit claim deed restriction filed in 1961 on property transferred from DOT to Norwalk that required it to be used for highway purposes. (The property description in this section of the bill is incomplete with respect to its location in the land records.)

CONVEYANCE AMENDMENTS

Route 6 Expressway

SA 07-11 authorized the DOT commissioner, with advice and consent from the secretary of the Office of Policy and Management and the SPRB, to sell, lease, and convey in the name of the state or enter into agreements regarding, or otherwise dispose of, the land and state-

owned buildings obtained for the Route 6 Expressway that are no longer needed for the project. The commissioner was required to notify the chief elected official and local legislators where the property is located within one year after the property was declared surplus. The act set out the procedures and requirements for transactions involving the property, including Federal Highway Administration (FHA) approval. This bill deletes the procedural requirements for a DOT public hearing on and FHA approval of proposed dispositions.

East Lyme

In 1990, the General Assembly passed a special act, which included a reversion clause, conveying land in East Lyme for an elderly housing project. The bill extends the exemption from reversion to third party foreclosure if the property is used to secure a mortgage. Currently, the exemption applies if the Housing and Urban Development secretary acquires title to the land by foreclosure or by a deed instead of foreclosure.

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable Substitute

Yea 11 Nay 0 (03/19/2008)